



Commonwealth of Massachusetts
**DEPARTMENT OF HOUSING &
COMMUNITY DEVELOPMENT**

Mitt Romney, Governor ♦ Kerry Healey, Lt. Governor ♦ Jane Wallis Gumble, Director

FOR IMMEDIATE RELEASE

January 28, 2005

CONTACT:

Phil Hailer (DHCD)

617-573-1104

Rus Lodi (MHP)

617-330-9944 x227

ROMNEY PLEDGES \$3M IN STATE RESOURCES FOR NEW HOUSING IN WESTFORD

State pilot rental program to spur the development of 15 affordable rental units

WESTFORD -- Renewing his commitment to increase the supply of housing across the Commonwealth, Governor Mitt Romney today pledged over \$3 million in state resources to build 15 units of rental housing in the town of Westford.

"We need to build more housing in Massachusetts," Romney said. "Towns like Westford are to be commended for working with the state by offering their own land and resources to help us achieve our housing goals."

Romney said a subsidiary of Community Teamwork Inc. of Lowell, a non-profit community action agency serving the Merrimack Valley and parts of the North Shore, will build 15 rental apartments, using \$1 million from the federally-funded HOME program and \$2,075,000 in long-term financing from the Massachusetts Housing Partnership (MHP).

The Residences at Stony Brook will feature seven two-bedroom and eight three-bedroom apartments. Five of the units will be affordable for households making 50 percent of median income; five will be affordable at 65 percent of median income; and five will be affordable at 100 percent of median income.

This is the first of three affordable housing efforts developed through the state's Suburban Rental Pilot program. Offered by MHP and the state Department of Housing and Community Development (DHCD), the program is aimed at developing affordable rental housing on a smaller scale in suburban and smaller towns.

Westford gave Common Ground Development Corporation, a subsidiary of Community Teamwork Inc., a 99-year lease to own and develop part of a 150-acre tract. Westford also appropriated \$250,000 from funds it collected through the Community Preservation Act to prepare the site for development.

"Too often, press coverage and local debate have been focused on larger housing developments," said Jane Wallis Gumble, director of DHCD. "This overshadows opportunities to build housing on a smaller scale, where it makes sense, and in a less controversial manner."

-more-

The state's HOME program, a federal program administered by DHCD, provides financial assistance to organizations creating affordable housing opportunities for moderate and low-income families. The funds are used for the acquisition and rehabilitation of existing vacant properties, or the construction of new units.

MHP is a statewide public/non-profit affordable organization that uses private bank funds to provide loans for affordable rental housing, providing some of the units are affordable to lower and moderate income households. Bank mergers like the recent Bank of America-Fleet deal trigger the state statute that funds MHP. Since 1990, MHP has made nearly \$400 million in loans for the financing of over 11,000 units of rental housing.

In Westford, MHP is committing to Common Ground Development Corporation \$1.3 million in long-term first-mortgage financing, and another \$750,000 in zero-interest, deferred payment second-mortgage financing. In addition, the construction loan is being provided by the Massachusetts Housing Investment Corporation (MHIC).

MHP also provides communities throughout the Commonwealth with advice and early technical assistance that can determine whether an affordable housing proposal is feasible. In the suburban pilot program, MHP's Community Housing Initiatives staff worked with Westford town officials on the transfer of the land for development to Common Ground.

"Massachusetts produces far less rental housing per capita than almost every other state in the country," said Clark Ziegler, MHP's executive director. "And a lot of the new rental housing that is being developed is large projects that can be controversial. We thought it was worth working with towns and private developers to produce rental housing on a smaller scale that's affordable."

###